THE SNIDER REPORT · CLIENT GUIDE

How to Enter the hype5L/USDC Liquidity Pool on Project X

A step by step walkthrough for HyperEVM, from a clean machine to a live LP position. This is a higher risk, leveraged pool. Read the risk notes carefully.

> This guide takes you from zero to an active concentrated liquidity position in the hype5L/USDC pool on Project X, the leading AMM DEX on Hyperliquid's HyperEVM chain. Work through the steps in order. The early steps are about security and custody, the later steps are about execution. Note up front: hype5L is a leveraged HYPE token, not plain HYPE. That leverage sits underneath your liquidity position and adds a layer of risk that a normal HYPE/USDC pool does not carry. Do not skip the security setup, and do not skip the risk section in step five. In DeFi, your operational hygiene and your understanding of the asset are your last lines of defense.

1 Secure Your Computer

Before you touch a single dollar of crypto, harden the machine you will use. A compromised device defeats every other safeguard in this guide.

Baseline hardening

- Run a full operating system update and enable automatic security patches.
- Enable full disk encryption (BitLocker on Windows, FileVault on macOS).
- Set a strong device password and a separate, strong screen lock.
- Remove browser extensions you do not recognize or no longer use. Malicious extensions are a primary theft vector.
- Use a dedicated browser profile, or ideally a separate browser, only for crypto activity.

Account and credential security

- Use a reputable password manager and generate unique passwords for every account.
- Turn on two factor authentication everywhere. Prefer an authenticator app or a hardware key over SMS, which is vulnerable to SIM swap attacks.
- Lock down your email account first. It is the recovery key to everything else.

> **Watch for:** Never store seed phrases in a screenshot, a notes app, a photo, or any cloud synced file. Write them on paper or use a metal backup, and store offline.

> **Brad's Tip:** NEVER give your seed phrase to ANYONE, even if they say they are customer support. There are imposters in Discord and Telegram chat rooms who look exactly like a developer or someone in the community. A real team member will never need your seed phrase, and asking for it is always a scam.

2 Create a Coinbase Account

Coinbase is your fiat on ramp. You will use it to convert dollars to USDC, then move that USDC on chain.

1. Sign up at coinbase.com, complete identity verification (KYC), and enable two factor authentication immediately.
2. Link a bank account via ACH rather than a debit or credit card.
3. Once verified, purchase USDC. You do not need to buy any other asset on Coinbase for this process.

Saving on Coinbase fees:

- Use **Coinbase Advanced Trade**, not the simple "Buy" button. The simple flow carries a spread plus a flat fee that can run several percent. Advanced Trade uses maker and taker fees that are a fraction of that.
- Fund with **ACH bank transfer**, which is free, instead of card payments that carry roughly a 4 percent fee.
- You can also buy USDC at par. On Advanced Trade, place a **limit order** in the USDC/USD market to avoid taker fees entirely.
- Batch your purchase. One larger buy incurs less cumulative fee than several small ones.

Brad's Tip: Why USDC? Because on Coinbase you can buy and transfer it without paying fees if you use the right method. Fund with a free ACH bank transfer, buy USDC at par with a limit order on Advanced Trade, and Coinbase does not charge a network fee to withdraw it. That keeps more of your capital working in the pool instead of bleeding out on fees before you even start.

3 Create and Secure a Rabby Wallet

Rabby is a self custody browser wallet that is well suited to DeFi. It previews transactions, flags risky contracts, and handles multiple chains cleanly, which makes it a strong fit for HyperEVM.

1. Download Rabby **only** from the official site, rabby.io, or the official extension store listing linked from it. Verify the URL character by character.
2. Install the extension, create a new wallet, and write the seed phrase on paper. Confirm it, then store the paper offline in a secure location.
3. Set a strong wallet password for the browser session.
4. Send a tiny test amount first whenever you fund or move assets for the first time.

> **Critical:** Anyone who sees your seed phrase controls your funds. No legitimate support agent, airdrop, or website will ever ask for it. Treat any such request as an attack.

> **Pro move:** For larger balances, pair Rabby with a hardware wallet such as a Ledger, Trezor, or Tangem. Rabby can sign through the hardware device, so your private keys never touch the internet connected computer.

> **Brad's Tip:** Every once in a while, check the allowed permissions in your wallet and revoke any you are not actively using. This includes platform connections, contract approvals, and token spending allowances. Here is why it matters: when you use a DeFi app, you grant its smart contract standing permission to move specific tokens from your wallet, and that permission stays active until you revoke it. If that contract is later hacked or turns malicious, whoever controls it can use the permission you already gave to drain those tokens, even if you have not touched the app in months and even though your seed phrase was never exposed. Revoking approvals you no longer need closes that door before it can be used against you.

4 Buy USDC and Withdraw to HyperEVM

HyperEVM is the smart contract layer of Hyperliquid, and it is where Project X lives. You need your USDC sitting on that chain as a standard token balance in Rabby. Coinbase supports withdrawing USDC directly to HyperEVM, so this is a single step with no separate bridge required.

1. In Coinbase, start a USDC withdrawal (send) to your Rabby wallet address.
2. When prompted for the network, select **HyperEVM** (the Hyperliquid network, chain ID 999). Confirm the network carefully. Sending on the wrong network can lose the funds permanently.
3. Paste your Rabby address, double check the first and last several characters, and send a **small test amount first**. Confirm it arrives in Rabby on HyperEVM, then send the remainder.

> **Verify before you send:** Confirm in the Coinbase withdrawal screen that HyperEVM is an available network for your account at the time you withdraw. Networks and supported assets change. If HyperEVM is not offered, do not force it onto an unsupported network. Stop and reach out before proceeding.

You also need a little HYPE for gas

The native gas token on HyperEVM is **HYPE**, not USDC, and not hype5L. You need a small amount of plain HYPE in Rabby to pay for swaps and the liquidity transaction. Once your USDC lands, swap a few dollars of it to HYPE on Project X, or acquire a small amount of HYPE separately. Keep roughly 1 to 2 dollars of HYPE on hand as a buffer. Do not confuse this gas HYPE with the hype5L you will hold in the pool. They are different tokens.

> **Brad's Tip:** Your wallet address on HyperEVM is the same address you use on every Ethereum compatible chain, including Ethereum itself, layer 2s like Arbitrum, Base, and Polygon, Binance Smart Chain, and others. So if you send to your own wallet on the wrong EVM network, it is usually not the end of the world. You still control that address on the other chain, and you can bridge the funds back to HyperEVM or wherever you want them. Two cautions though: this only holds when you sent to your own self custody wallet, not to an exchange deposit address, and you will need a little of that chain's gas token to move the funds. Sending to an exchange on an unsupported network, or to an address you do not control, can still mean the funds are gone. When in doubt, send a small test amount first.

5 Connect to Project X, Understand hype5L, and Swap to the Correct Ratio

Read this before you swap. What hype5L is and why it carries more risk:

- **hype5L is a leveraged HYPE token,** designed to track the price of HYPE with built in leverage (the "5L" denotes the leveraged long nature of the token). When HYPE rises, hype5L is engineered to rise faster. When HYPE falls, hype5L falls faster.
- **Leveraged tokens decay over time.** Most products of this type rebalance to maintain their leverage, and in choppy, sideways markets that rebalancing bleeds value even if HYPE ends flat. This is volatility decay. A leveraged token is generally not a buy and hold instrument.
- **This stacks two risks in one position.** Providing liquidity already exposes you to impermanent loss. Doing it with a leveraged token means the asset itself can lose value structurally on top of any LP drift. Your fee income has to overcome both.
- **Verify the mechanics at the source.** Before committing capital, read the issuer's documentation for this specific hype5L token on HyperEVM: confirm the leverage factor, how and how often it rebalances, any management or funding fees, and how it behaves in extended downtrends. Do not rely on the ticker alone.
- **Size accordingly.** Because of the stacked risk, this position warrants a smaller allocation than you would put into a plain HYPE/USDC pool.

A concentrated liquidity position needs **both** sides of the pair: hype5L and USDC. Right now you hold mostly USDC, so you will swap a portion into hype5L.

1. Go to the official Project X app and connect Rabby. Confirm the URL before connecting, and verify you are on the HyperEVM network.
2. Open the swap interface and trade a portion of your USDC for **hype5L**. Double check the token contract address against the issuer's official source, since leveraged token tickers are easy to spoof.
3. The amount of each token you need depends on the price range you choose in the next step. The Project X interface will show the required ratio for your chosen range. Let the interface guide the exact split rather than guessing.

Brad's Tip: Two things on the swap itself. First, do not convert everything. Hold back enough USDC so that after the swap you have both assets in roughly the ratio the pool requires, and keep your plain HYPE gas buffer untouched (gas HYPE is a separate token from the hype5L you are pooling). Second, watch your slippage and timing. Slippage is the gap between the price you see and the price you get, and it widens when a pool is thin or the market moves fast. Check the price impact the interface shows, set a sensible slippage tolerance, break a large swap into a few smaller ones, and avoid the most volatile hours such as the US market open. Calmer hours mean a cleaner fill.

6 Set Your Range and Add Liquidity

Project X uses concentrated liquidity, which means you choose a price range where your capital is active. Inside that range you earn fees. Outside it, your position stops earning and sits fully in one asset.

1. Navigate to the Liquidity or Pools section and select the **hype5L/USDC** pool. Confirm it is the correct pool, not a similarly named pair.
2. Choose your fee tier if prompted. Higher fee tiers suit more volatile pairs, lower tiers suit stable, high volume pairs.
3. Set your lower and upper price bounds using the range slider.
4. Enter the token amounts. The interface will auto balance the second amount to match your range.
5. Approve the tokens, then confirm the add liquidity transaction. Pay gas in HYPE.
6. Your position is now live and earning fees on every swap that trades through your range.

How to think about ranges

Range width	Behavior	Best when
Wide	Lower fee income per dollar, but stays in range longer and needs less rebalancing.	You want a set and mostly forget position, or expect large price swings.
Narrow	Higher fee income per dollar while in range, but exits range quickly and needs active management.	You can monitor daily and the price is range bound.

> **Brad's Tip:** Specifically for hype5L, I have found you can set a wider range than you might expect and still earn a high APR. Play with the ranges and look back across different time frames (7 day, 30 day, 1 year) while you explore pools. Staying in range for an extended stretch is the name of the game, so a wider band that you rarely fall out of often beats a tight one you keep getting knocked out of. When you go out of range, not only do you stop earning fees, you also have to rebalance or pick a different pool, which can incur impermanent loss. Have a general idea of where market trends are heading and set your range with that in mind.

Range setting tips:

- **Start wider than feels necessary.** A first position that drifts out of range on day one earns nothing and teaches you little. Width buys you time to learn the pool's behavior.
- **Center the range on the current price,** unless you have a directional view. If you lean bullish on HYPE, skew the range upward, and the reverse if bearish.
- **Understand impermanent loss, then add the leverage on top.** As hype5L moves, the pool rebalances you into more of the falling asset. On top of that, hype5L can decay structurally even when HYPE goes nowhere. The fees you earn need to outweigh both the LP drift and any token decay for the position to be net positive. Narrow ranges amplify all of these effects.
- **Account for the leverage in your range.** hype5L moves faster than HYPE in both directions, so a range that would be comfortable for plain HYPE will be blown through more quickly here. Set your bounds wider than you would for an unleveraged pair to avoid constantly falling out of range.
- **Mind the gas math.** HyperEVM gas is cheap, but constant rebalancing of a very narrow range still adds up and can erode returns. Match your range width to how often you are realistically willing to manage it.
- **Track the position.** Use the Project X portfolio view to monitor whether price is still inside your range and how fees are accruing. Rebalance deliberately, not reactively.

Free Resources

Reach each site by typing the address or using a saved bookmark, never a link from an ad or message. Confirm the hype5L and USDC contract addresses on an explorer before you swap.

Resource	What it is for
rabby.io	Official source for the Rabby self custody wallet. Download only from here.
coinbase.com	Fiat on ramp. Buy USDC and withdraw directly to the HyperEVM network.
app.hyperliquid.xyz	The official Hyperliquid app. Confirm balances and the HyperEVM network (chain ID 999).
hyperevmscan.io	HyperEVM block explorer. Verify token contract addresses and confirm transactions.
hypurrscan.io	Hyperliquid focused explorer and analytics for tracking activity and token details.
revoke.cash	Check and revoke token approvals and contract permissions on HyperEVM. Use it for regular wallet hygiene.
defillama.com	Independent pool liquidity, volume, and TVL data. Sanity check a pool before entering.
sniderandsons.com	The Snider Report, our weekly Bitcoin, DeFi, and Hyperliquid newsletter. Subscribe here.

The Snider Take

Concentrated liquidity is one of the higher skill, higher reward corners of DeFi, and doing it with a leveraged token like hype5L sits at the sharper end of that spectrum. You are stacking three sources of risk: directional exposure to HYPE, the structural decay of a leveraged wrapper, and impermanent loss from the pool itself. That can pay well in a strong, trending HYPE market and punish you in a choppy or falling one. Treat your first position as tuition. Size it smaller than you would a plain pair, set a wide range, verify the hype5L mechanics at the issuer's source, and watch how it behaves through a few days of price movement before you commit meaningful capital. The operators who do well here are the ones who respect the security steps at the top of this guide and the asset risks in the middle as much as the yield at the bottom.

DISCLAIMER

This guide is educational and does not constitute financial, investment, tax, or legal advice. Cryptocurrency and DeFi carry significant risk, including total loss of capital through market movement, impermanent loss, smart contract failure, and user error. Leveraged tokens such as hype5L carry additional risk, including amplified losses and structural value decay over time, and are generally unsuitable for long term holding. Self custody means you bear full responsibility for your funds. Verify every URL, contract, and network independently. Snider and Sons Consulting Group is not liable for any losses incurred. Do your own research and invest only what you can afford to lose.

The Snider Report · **Snider and Sons Consulting Group**
Brad Snider · Parma, Ohio
440.749.5336 · brad@sniderandsons.com · sniderandsons.com